REMARKS/ARGUMENTS

Regarding the Response to the Applicant's Arguments of the previous Office Action, the Examiner has rejected the application because the Applicant stated in the previous response at the top of page 10, "There has been new matter added as a result of the amendments." The Applicant respectfully submits that the sentence should have read, "There has been no new matter added as a result of the amendments." There was a typographical error, omission of the word "no" in the sentence, which was overlooked by the Applicant. The Applicant respectfully requests that the Examiner withdraw rejection of the application.

An amendment to the Specification was made in the previous response because, as the Examiner noted in the earlier Office Action, there was no definition of "intelligent network." Additionally, the Examiner noted that the claims contained the undefined term "units." The Applicant added a definition of intelligent network in the replaced term "unit" in the affected claims with a more descriptive phrase .

The Applicant respectfully requests the withdrawal of the rejection of the application according to the above explanation.

Amendments

The Applicant has amended claims 1-20 to more clearly and distinctly claim the invention to which the Applicant is entitled. NO new matter is added as a result of the amendments. Claims 1-20 are pending in the application. Favorable reconsideration of the application is respectfully requested in view of the foregoing amendments and the following remarks.

Claim Rejections – 35 U.S.C. § 103 (a)

Claims 1-20 are rejected under 35 U.S.C § 103(a) as being unpatentable over Baker *et al.* (US 5,884,292 A, hereinafter Baker) in view of Hayashida (EP 2 768 628 A2, hereinafter Hayashida). The Applicants respectfully traverse the rejection of these claims.

The Baker reference appears to disclose a system comprising a station and a Data Center. A subscriber contacts the Data Center and requests a recharge of a smartcard. The Data Center sends an authorization signal to one or more stations that is unique to the subscriber's card. The subscriber connects the smart card to a station and if there is a match, the station updates the funds in the smart card (Abstract, Col. 1, lines 5-10)

The present invention utilizes a prepaid account associated with a "user account' in the Intelligent Network (IN). The user account is an account that provides access to services available through the intelligent network. There is no smart card having a primary function in the present invention. Funds are deposited to the prepaid account by any known manner, but what is unique to the Applicant's invention is that funds may be transferred, as needed or on demand, to the user account from the prepaid account. As the user (subscriber) uses a service, the user account, which starts with an initial balance, determines the amount available in the user account and the probable amount of usage required by the subscriber. If the user account determines that the balance will not cover the use of service by the subscriber, the user account signals the user to transfer an appropriate credit from the prepaid account to the user account. Or, the user account may be programmed to automatically transfer sufficient funds to complete a call.

In contrast to Baker, who provides an authorization in order to load value to a smart card at a "station', the present invention utilizes a PIN number in concert with a prepaid voucher number (or equal) to load value into a prepaid account operationally connected to the intelligent network. The voucher may be purchased and the value of the voucher is recorded in a database (prepaid account) associated with the subscriber's user account. In the Applicant's invention, there is no need for a smart card as the prepaid voucher value is linked to an individual number string provided at the time of purchase. The funds associated with the string are transferred from the prepaid account to the user account upon entering a PIN number and the individual number string.

The focus of Baker's invention is the smart card and a smart card station that moves funds between a Data Center and the station (Col. 2, lines 25-42). The Applicant's invention moves funds within the same system from a prepaid account to a user account and the user account is debited according to the amount of use. Sort of a master account providing funds to a ready, real time account.

The Hayashida reference appears to disclose the basic features of a smart card. Hayashida was cited for teaching the fundamentals of the smart card. The Applicant's invention does not incorporate or teach the use of a smart card. As noted above, Baker uses a smart card, or the equivalent, in the operation of Baker's invention. In contrast to the teaching of the present invention, the references Baker and Hayashida, either alone or in combination, do not disclose or suggest loading funds into a prepaid account that is operationally connected to the IN and associated with a user account from which funds are withdrawn to pay for services. Further, the present invention transfers credit from the amount recorded in the prepaid account, on demand, to a user account for real time debiting. The debiting occurs according to use of the services available to the user account. The crediting of funds to the user account is accomplished by the user entering a PIN number and an "individual number string" corresponding to the prepaid voucher or similar.

Baker and Hayashida show the storage of funds. However, the storage of funds disclosed by the prior art is applied to the smart card by uploading and downloading information via the smart card and a smart card reader/station. The information is stored on the smart card. Neither Baker nor Hayashida disclose purchasing a voucher or similar. Nor does the cited prior art teach applying the value of the voucher to a "prepaid" account set up in the intelligent network. Further, funds may be transferred from the prepaid account to the user account on demand. The prepaid account and the transfer function are both absent from the prior art. Therefore, Applicants respectfully submit that the combination of Baker and Hayashida does not teach or suggest the invention presently claimed in Claim 1.

Claims 9, 13, 14 and 19 contain similar limitations and the Applicants respectfully submit that Baker and Hayashida do not teach or suggest the limitations of these

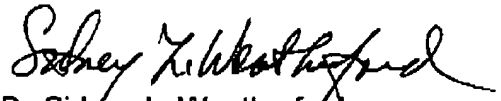
amended independent claims. The claims that depend from the respective independent claims contain the same limitations as the independent claims and as such are not obvious in respect of the presented art of record, for at least the reasons recited above. The Applicants respectfully request withdrawal of the rejection of claims 1-20.

CONCLUSION

In view of the foregoing remarks, the Applicants believe all of the claims currently pending in the Application to be in a condition for allowance. The Applicant, therefore, respectfully requests that the Examiner withdraw all rejections and issue a Notice of Allowance for Claims 1-20.

The Applicants request a telephonic interview if the Examiner has any questions or requires any additional information that would further or expedite the prosecution of the Application.

Respectfully submitted,



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